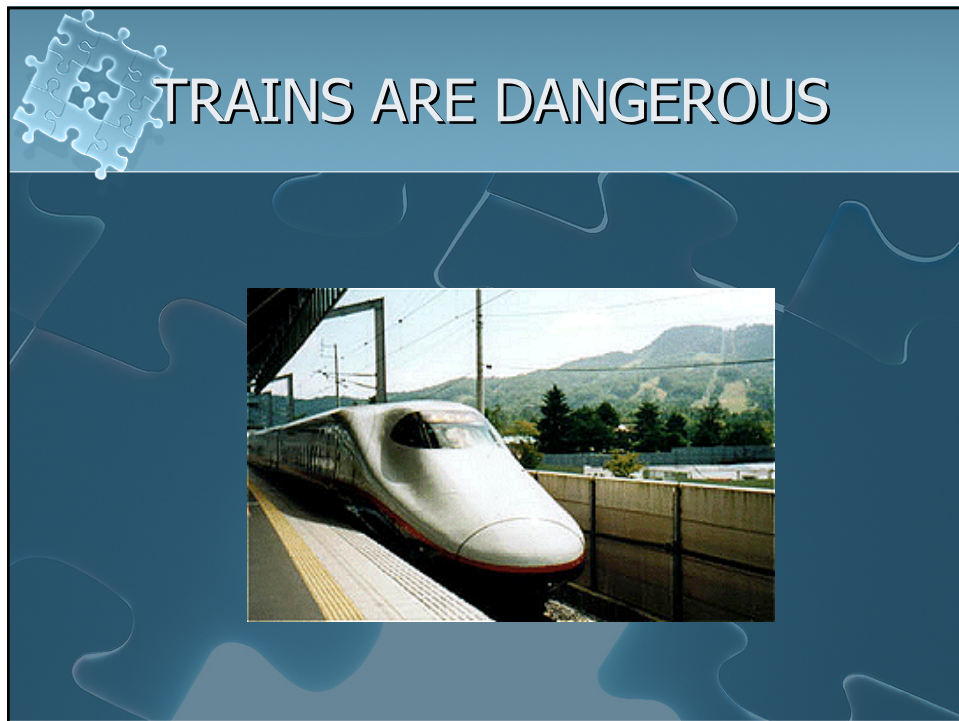




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3

General Principles

- Identifiable risks are manageable risks
- Predictable is preventable (or at least reducible)


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LOSS CONTROL IS

The art of designing, implementing and evaluating strategies for the reduction or elimination of the frequency and severity of identifiable risk of loss.


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First step is to evaluate risks

- Look at loss history
- Look at other similar entities
- Look at other pools
- Where is the highest severity?
- Where is the highest frequency?

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RISK TRIANGLE

- HAZARD—
 - Like ice
 - Leads to
- PERIL—
 - Slip and fall
 - Leads to
- EXPOSURE—
 - Loss of money or other desirable value


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Common hazards and perils for Property

- Fire
- Arson
- Wind
- Vandalism


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Common hazards and perils for General Liability

- Sexual harassment
- Discrimination
- Zoning and Permits
- Civil Rights
 - Use of force
 - Jail conditions/suicide

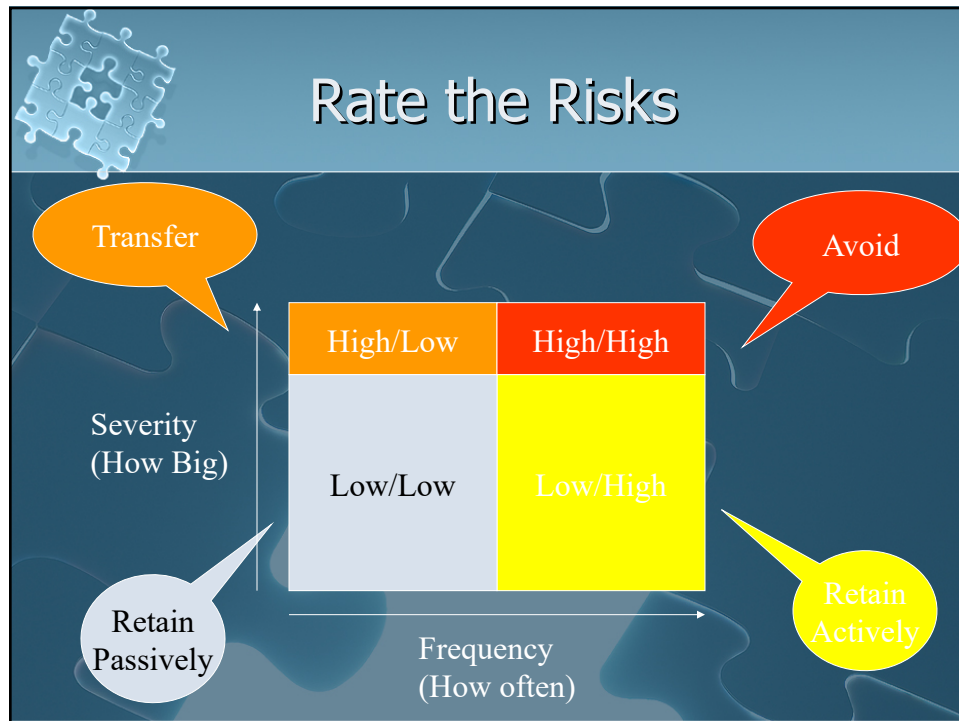
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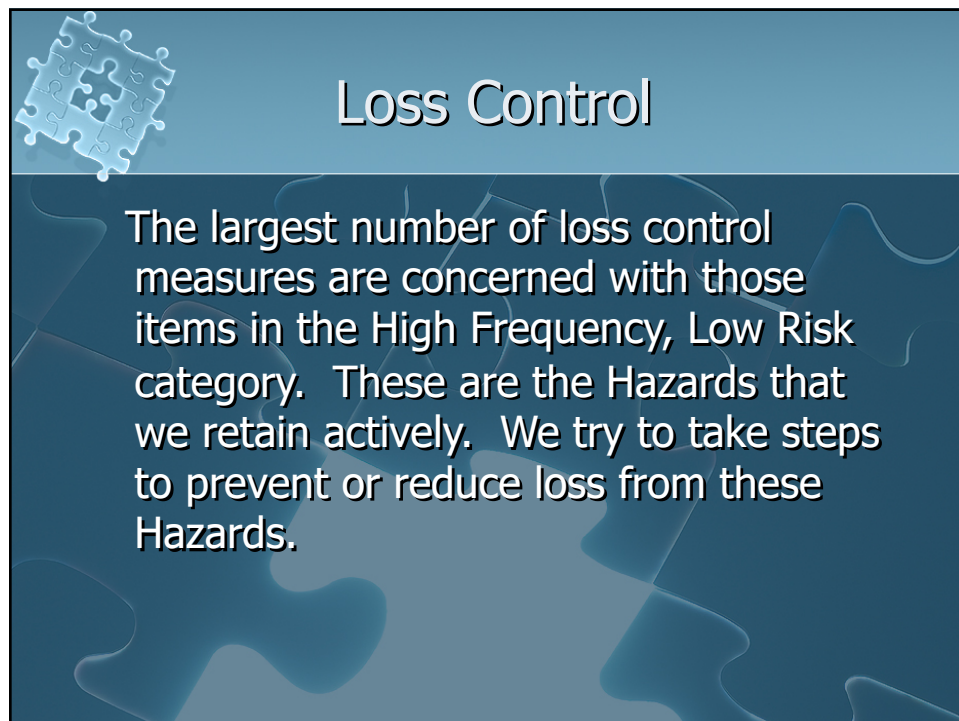
Common hazards and perils for Auto

- Improper lookout
- Speeding
- Backing
- Rear-ending
- Right-of-way


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Decide which loss control method to use

- Avoidance
- Prevention
- Reduction
- Segregation
- Contractual risk transfer


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Avoidance

- Seek to avoid the high frequency, high risk activities
- Unfortunately, we simply cannot avoid some of these activities
- Examples:
 - Arrest
 - Incarceration


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Prevention

- Eliminate hazards that lead to loss
- Examples:
 - Remove Ice and snow from walkways
 - Create barriers or fencing around hazardous areas


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Reduction

- Reduce the severity or frequency of a particular loss
- Examples:
 - Seatbelts
 - Hearing protection


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Segregation

- Arrangement of Activities/Assets to prevent one event or peril from causing loss to the whole
- Separation—distributing activities or assets among multiple locations
- Duplication—building in redundancies that are used when a loss is suffered


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Tailor loss control measures to the hazard

- Identify critical tasks and hazards
- Look at the source of the hazard:
 - Natural—fire, flood
 - 3rd party action—theft, arson
 - Operational—resulting from the County activities
 - Moral/legal defect on the part of County employee or officer
- Decide the loss control approach:
 - Human engineering
 - Physical engineering


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Frequently used loss control measures

- Policies, procedures, or processes
- Training
- Supervision
 - Accountability
 - Performance expectations
- Tools and Equipment
- Personal protective equipment
- Inspections
- Housekeeping
- Legal review
- Contract management


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Loss Control Measures--Fire

- Electrical system maintenance
- Chemical storage
- Self inspection
- Alarm systems
- Fire drills

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Loss Control Measures--Wind

- Roof maintenance or alteration
- Damage control procedures
- Exterior housekeeping


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Loss Control Harassment/Discrimination

- Policies
- Training
- Complaint investigation
- Documentation


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Loss Control Measures--Auto

- Training
- Pre-trip inspections—360
- MVR evaluations
- Safety Programs—incentives
- Accident Investigation/Review Boards
- Policies
- Discipline
- Eliminate Backing


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Humans

- “The Human does not change. During the period of recorded history, there is little evidence to indicate that man has changed in any major respect. Because man does not change, the kinds of errors he commits remain constant. The errors that he will make can be predicted from the errors he has made.”
-Attributed to Archand Zeller


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Keys to dealing with Human Error problems

- Hiring and retaining quality personnel
- Establishment of effective policies and procedures
- Consistent, verifiable Training
- Supervision—attention to the good and bad
- Consistent Discipline


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Loss Control Implementation

- Decide which measures best fit the activity and mission of the County
- How can the measures be implemented?—take into account feasibility, costs
- Accountability:
 - Who will be implementing the measures?
 - Who will make sure the measures are implemented?
 - Who will be responsible for ongoing monitoring?


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Practical Problems

- Getting support from elected officials
 - Stress cost-effectiveness
 - Good PR
- Creating risk awareness
 - Stress benefits of safety
 - Insulation from lawsuits
- Feasibility of measures
 - Incorporate ideas of line personnel
 - Be aware of formal and informal systems and lines of authority


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Evaluate

- Have the Loss Control measures been effective?
 - Difficult to evaluate for small entities
- Are they being followed?
 - Are the Loss Control measures practical—
 - Are they too burdensome?
- Modify
- Update


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Start today

- H.W. Heinrich:
 - 300 mistakes
 - 30 close calls
 - 1 severe or fatal injury
- Don't wait to learn from a big loss
- Don't wait to learn from a close call
- Identify mistakes or areas of risk before they become problems

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If you can identify it, then you can manage it



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